American Skin Association, Inc.

Financial Statements

December 31, 2025

American Skin Association, Inc.

Financial Statements
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TABLE OF CONTENTS **Page**

Independent Auditors' Report 1-2

FINANCIAL STATEMENTS

Statement of Financial Position 3

Statement of Activities 4

Statement of Functional Expenses 5

Statement of Cash Flows 6

Statement of Changes in Net Assets 7

Notes to Financial Statements 8 -12

PKF O'CONNOR DAVIES
ACCOUNTANTS AND ADVISORS

Independent Auditors' Report

Board of Directors of
American Skin Association, Inc.

Opinion

We have audited the accompanying financial statements of American Skin Association, Inc. (the "Organization") which comprise the statement of financial position as of December 31, 2025 and the related statements of activities, functional expenses, cash flows and changes in net assets for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2025 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

PKF O'Connor Davies, LLP is a member firm of the PKF International Limited network of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

PKF O'Connor Davies, LLP

August 26, 2026

American Skin Association, Inc.

Statement of Financial Position
December 31, 2025

ASSETS	
Cash and cash equivalents	$ 3,129,393
Promises to give	151,500
Prepaid expenses	51,660
Other assets	10,599
	$ 3,343,152
LIABILITIES AND NET ASSETS	
Liabilities	
Grants payable	$ 243,000
Accrued expenses	105,504
Total Liabilities	348,504
Net Assets	
Without donor restrictions	2,419,147
With donor restrictions	575,501
Total Net Assets	2,994,648
	$ 3,343,152

See notes to financial statements

American Skin Association, Inc.

Statement of Activities
Year Ended December 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions and grants	$ 822,488	$ 532,257	$ 1,354,745
Contribution of nonfinancial assets	12,892	-	12,892
Fundraising events	806,151	-	806,151
Less: costs with direct benefit to donors	(248,229)	-	(248,229)
Interest and dividends	41,641	-	41,641
Net assets released from restrictions	467,556	(467,556)	-
Total Support and Revenue	1,902,499	64,701	1,967,200
EXPENSES			
Program Services			
Research	645,959	-	645,959
Public education	497,997	-	497,997
Total Program Services	1,143,956	-	1,143,956
Supporting Services			
Management and general	126,081	-	126,081
Fundraising	56,505	-	56,505
Total Supporting Services	182,586	-	182,586
Total Expenses	1,326,542	-	1,326,542
Changes in Net Assets	575,957	64,701	640,658
NET ASSETS			
Beginning of Year	1,843,190	510,800	2,353,990
End of Year	$ 2,419,147	$ 575,501	$ 2,994,648

See notes to financial statements

American Skin Association, Inc.

Statement of Functional Expenses
Year Ended December 31, 2025

	Program Services			Supporting Services			
	Research	Public Education	Subtotal	Management and General	Fundraising	Subtotal	Total
Grants and awards	$ 315,000	$ 134,750	$ 449,750	$ -	$ -	$ -	$ 449,750
Salaries, benefits and taxes	240,390	263,843	504,233	41,042	41,042	82,084	586,317
Marketing and promotion	13,923	15,281	29,204	2,377	2,377	4,754	33,958
Travel and meetings	30,721	33,718	64,439	5,245	5,245	10,490	74,929
Printing and postage	2,915	3,198	6,113	498	498	996	7,109
Rent and related items	5,286	5,802	11,088	902	902	1,804	12,892
Office expenses	32,844	36,048	68,892	5,608	5,608	11,216	80,108
Professional fees	-	-	-	69,576	-	69,576	69,576
Telephone and internet	1,425	1,564	2,989	243	243	486	3,475
Event expense	-	-	-	-	248,229	248,229	248,229
Computer expenses	3,455	3,793	7,248	590	590	1,180	8,428
Total Expenses	645,959	497,997	1,143,956	126,081	304,734	430,815	1,574,771
Less costs with direct benefit to donors	-	-	-	-	(248,229)	(248,229)	(248,229)
Total Expenses Reported by Function on the Statement of Activities	$ 645,959	$ 497,997	$ 1,143,956	$ 126,081	$ 56,505	$ 182,586	$ 1,326,542

See notes to financial statements

American Skin Association, Inc.

Statement of Cash Flows
Year Ended December 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	$ 640,658
Changes in operating assets and liabilities:	
Promises to give	(102,500)
Prepaid expenses	(51,660)
Other assets	(10,599)
Grants payable	(293,500)
Accrued expenses	1,504
Net Cash from Operating Activities	183,903
Net Change in Cash and Cash Equivalents	183,903
CASH AND CASH EQUIVAELNTS, BEGINNING OF YEAR	2,945,490
CASH AND CASH EQUIVAELNTS, END OF YEAR	$ 3,129,393
Supplemental Disclosures of Cash Information:	
Cancellation of grant payable	$ (70,000)

See notes to financial statements

American Skin Association, Inc.

Statement of Changes in Net Assets
Year Ended December 31, 2025

		With Donor Restrictions							
	Without Donor Restrictions	Atopic Dermatitis	Melanoma and Other Research	Vitiligo	Psoriasis	Education	Other	With Donor Restrictions Subtotal	Total
Net assets, January 1,	$ 1,843,190	$ 250,622	$ 108,881	$ 43,781	$ 57,516	$ -	$ 50,000	$ 510,800	$ 2,353,990
Support and revenue	2,150,728	-	132,006	39,652	50,599	275,000	35,000	532,257	2,682,985
Expenses	(1,574,771)	(62,000)	(181,000)	(47,000)	(25,000)	(152,556)	-	(467,556)	(2,042,327)
Net assets, December 31,	$ 2,419,147	$ 188,622	$ 59,887	$ 36,433	$ 83,115	$ 122,444	$ 85,000	$ 575,501	$ 2,994,648

See notes to financial statements

American Skin Association, Inc.

Notes To Financial Statements
December 31, 2025

1. Organization and Tax Status

Founded in 1987, American Skin Association, Inc. (the "Organization") works to defeat melanoma and other serious forms of skin disease by advancing research, raising public awareness and championing good skin health, particularly among children. The Organization is a not-for-profit organization, exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code and has been designated as an organization which is not a private foundation.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared using the accrual basis of accounting and conform with accounting principles generally accepted in the United States of America ("US GAAP").

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Net Assets

The Organization reports information regarding its financial position and activities according to two classes of net assets based upon the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Amounts that are not subject to usage restrictions based on donor-imposed requirements. This class also includes assets previously restricted where restrictions have expired or been met. This category may also include amounts designated by the Board of Directors.

Net Assets With Donor Restrictions – Assets subject to usage limitations based on donor-imposed or grantor restrictions. These restrictions may be temporary or may be based on a particular use. Restrictions may be met by the passage of time or by actions of the Organization. Certain restrictions may require the assets to be maintained in perpetuity.

2. Summary of Significant Accounting Policies *(continued)*

Cash and Cash Equivalents

The Organization considers all highly liquid debt instruments, purchased with a maturity of three months or less, to be cash equivalents. Cash equivalents include money market funds.

Promises to Give

Contributions and grants are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. All other donor-restricted contributions are reported as increase in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

The Organization determines uncollectible promises receivable based on prior years' experience and management's analysis of specific promises made. As of December 31, 2025 there is no allowance for uncollectible promises to give.

Special Event Revenue

The Organization records special events revenue when the event takes place.

Contributions of Nonfinancial Assets

No amounts have been reflected in the financial statements for donated services. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair value in the period received. The Organization generally pays for services requiring specific expertise. However, individuals volunteer their time and perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition as contributed services.

Contributions of donated non-cash assets are recorded at their fair value in the period received.

Accounting for Uncertainty in Income Taxes

The Organization recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Management has determined that the Organization had no uncertain tax positions that would require financial statement recognition or disclosure. The Organization is no longer subject to examinations by the applicable taxing jurisdictions for period prior to 2022.

2. Summary of Significant Accounting Policies *(continued)*

Allocation of Functional Expenses

Directly identifiable expenses are charged to programs and supporting services. The expenses that are attributable to more than one program or supporting function require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, benefits and taxes, marketing and promotion, travel and meetings, printing and postage, rent and related items, telephone and internet, computer expenses, and office expenses which are allocated on the basis of estimates of time and effort.

Concentration of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents on deposit with financial institutions and promises to give. Deposits held at financial institutions insured by the Federal Deposit Insurance Corporation (“FDIC”) are insured up to $250,000. At times cash balances may exceed the FDIC limit. As of December 31, 2025, the Organization’s uninsured cash balances on deposit totaled approximately $1,854,000. The Organization has not experienced any losses on its cash accounts.

In addition, the Organization’s cash and cash equivalents includes funds held in Vanguard money market mutual funds. Cash equivalents held at financial institutions insured by the Securities Investor Protection Corporation ("SIPC") are insured up to $500,000. As of December 31, 2025, the Organization’s uninsured cash equivalents totaled approximately $525,000.

The Organization does not have a material concentration of credit risk, with respect to promises to give, due to generally short payment terms.

Subsequent Events

The Organization has evaluated subsequent events through August 26, 2026, the date which the financial statements were available to be issued.

In January 2026 the Organization entered into a month-to-month operating lease for office space commencing February 1, 2026. The lease requires monthly base rent of $100 and may be terminated by either party upon 30 days' written notice.

3. Restrictions on Net Assets

The Organization's net assets with donor restrictions consists of the following as of December 31, 2025:

Atopic Dermatitis	$ 188,622
Melanoma and Other Research	59,887
Vitiligo	36,433
Psoriasis	83,115
Education	122,444
Other	85,000
	$ 575,501

Net assets released from restriction are as follows for the year ended December 31, 2025:

Atopic Dermatitis	$ (62,000)
Melanoma and Other Research	(181,000)
Vitiligo	(47,000)
Psoriasis	(25,000)
Education	(152,556)
	$ (467,556)

4. Promises to Give

Promises to give are due in less than one year and are fully collectible per management as of December 31, 2025.

5. Contributions of Nonfinancial Assets

The Organization leased its office space on a month-to-month basis through April 2025 and the monthly rent expense was $3,223. In 2025, the Organization received in-kind contributions in the form of free rent for such office space. The fair value of the donated office space was estimated using observable market rental rates for comparable office space of similar size and location in the same geographic area.

Rent expense for the year ended December 31, 2025 was $12,892.

6. Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets available to meet cash needs for general expenditures within one year of December 31, 2025:

Financial Assets:	
Cash and cash equivalents	$ 3,129,393
Promises to give	151,500
Total Financial Assets	3,280,893
Less:	
Amounts restricted by donor with time or purpose restrictions	(575,501)
Grants payable	(243,000)
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	$ 2,462,392

The Organization will rely on future contributions and grants to support its ongoing operations.

7. Grants Payable

Grants payable consist of grants awarded to specific grantees but not yet paid. A total of $243,000 was payable by the Organization at December 31, 2025.

In 2025, the Organization cancelled grants payable of $70,000 due to the grantees continued delay in meeting such grant acceptance requirements. Such funds were restricted for Psoriasis and Atopic Dermatitis and repurposed for such programs.

8. Retirement Plan

The Organization maintains a defined contribution pension plan under IRS Code Section 403(B). For the year ended December 31, 2025, the Organization contributed 10% of salary for eligible employees.

Contributions totaling $64,745 for the year ended December 31, 2025 were made by the Organization, in addition to the elective deferrals made by employees.

9. Related Party Transactions

During the year ended December 31, 2025, the Organization received contributions in the amount of $225,500 from board members and organizations affiliated with board members. Included in promises to give are $12,500 due from board members and organizations affiliated with board members as of December 31, 2025.

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